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Ontario. Ministry of Consumer
and Commercial Relations
Annual Report, 1985-86



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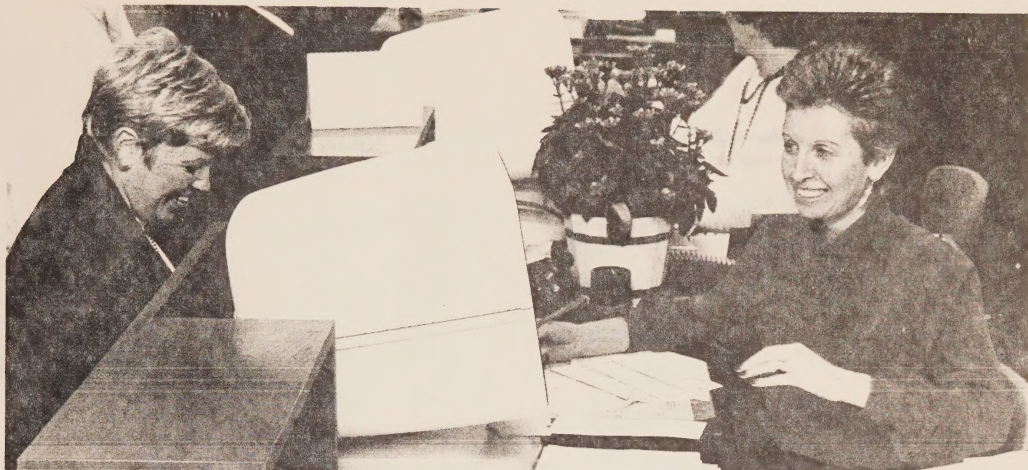
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Government of
Ontario
Publications

ANNUAL REPORT



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Ontario

The Ministry of Consumer
and Commercial Relations

Minister's Message

Readers of this report will find that the Ministry of Consumer and Commercial Relations has been very busy in the past year.

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Honourable Lincoln Alexander
Lieutenant Governor of Ontario

The Ministry of Consumer and Commercial Relations is pleased to submit its annual report of operations for the fiscal year 1985/86.

Monte Kwinter
Minister
September, 1986



Ministry of Consumer and Commercial Relations

Minister's Message

Rapid economic change, both in Ontario and worldwide, has made the mandate of the Ministry of Consumer and Commercial Relations more vital than ever before.

Regulations, statutes and legislation must be kept sensitive to consumer needs and adaptable to changing markets and new technologies. My ministry is committed to a continuing review of policies to ensure that this updating process takes place.

During the past year, the effects of this review were well in evidence: Public safety was enhanced through new legislation on amusement rides. Deposits on automobile purchases came under the protection of an industry-financed fund. And, under newly proposed loan and trust legislation, consumer deposits will be given better protection.

While it protects consumers, the ministry is also committed to expanding opportunities for business and entrepreneurs. One realization of this policy during the year was finalization of an agreement with the federal government allowing independent duty-free shops to operate along Ontario's international border.

In the same theme of fairness and expanded opportunity, the ministry will ensure that new appointments to agencies, boards and commissions reporting to me will be representative of all groups and walks of life. Already a new policy has been implemented at the Liquor Control Board of Ontario to ensure impartiality and fairness in hiring, eliminating the previous order-in-council process.

Improved business opportunities in Ontario will create a more attractive environment for investment. To further enhance that environment, initiatives were undertaken to ensure financial institutions are able to adapt in a rapidly changing marketplace.

The Task Force on Financial Institutions reported during the year with several recommendations designed to promote the efficient operation of these companies, while protecting consumer investments in them.

To deal with cost and availability problems in the insurance industry, the Task Force on Insurance was established late in the fiscal year, and asked to report by May, 1986. Other measures implemented to ease pressures in the insurance industry included the groundwork laid for the establishment of a Canadian insurance exchange in Toronto.

In every case, we recognize that these measures must strike an important balance: we must provide protection for the rights of the consumer and, at the same time, offer an attractive marketplace in which business can grow and prosper.

Throughout fiscal year 1985-1986, the Ministry of Consumer and Commercial Relations operated under the very capable stewardship of former Deputy Minister Donald Crosbie.

Through seven years of commitment to the efficient delivery of consumer and commercial services to the people of Ontario, he set a tone that remains today, not only in the consumer ministry, but in the new Ministry of Financial Institutions as well.

When I arrived as a new minister in 1985, I soon realized that Mr. Crosbie's experience could be relied upon to facilitate any new initiative. He offered illuminating insights into any issue at hand and, perhaps more importantly, provided a calm and rational voice in the face of crisis.

On March 26, 1986, Premier Peterson announced the splitting of MCCR into two separate operations, creating the new Ministry of

Financial Institutions. With that announcement came news that Donald Crosbie would be reassigned to chair the Civil Service Commission, effective April 1, 1986.

Perhaps I could take this opportunity to extend my personal thanks to him – and to remind him that throughout the many offices of MCCR and MFI, he is missed.

At the same time, I have pleasure in welcoming Valerie Gibbons as the new deputy minister of Consumer and Commercial Relations and Bryan Davies as the new deputy minister of Financial Institutions. I look forward to working with them in the development of policies that will strengthen consumer protection and broaden investment in Ontario's economy.



A stylized, handwritten signature of Monte Kwinter in dark ink.

Monte Kwinter
Minister

I Deputy Ministers' Message

A major statement just five days before the end of fiscal year April 1, 1985 to March 31, 1986 marked the end of an era for the Ministry of Consumer and Commercial Relations.

Premier David Peterson announced that the ministry would split in two, with most of the Financial Institutions Division becoming the new Ministry of Financial Institutions, effective April 1, 1986. Only the Cemeteries Branch of the old Financial Institutions Division was to stay with the slimmed-down consumer ministry, becoming part of the Business Practices Division.

Simultaneously, Mr. Peterson announced our appointments as deputy ministers of the two ministries: Valerie Gibbons, Ministry of Consumer and Commercial Relations, and Bryan Davies, Ministry of Financial Institutions.

As a basic foundation from which to develop our respective ministries, we have both reviewed this report with great interest.

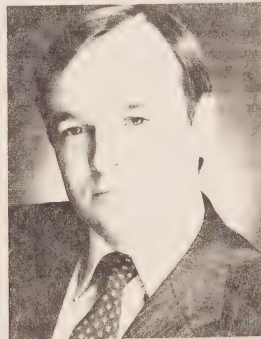
There can be no question that we face busy days and important challenges in the new year. With the support of dedicated and experienced staff in both ministries, we look forward to the knowledgeable and efficient delivery of consumer and financial services to the people of Ontario.

We also look forward to reporting the achievements of the two ministries in separate annual reports a year from now.



A stylized, handwritten signature in dark ink.

Valerie Gibbons
Ministry of Consumer
and Commercial Relations



A stylized, handwritten signature in dark ink.

Bryan Davies
Ministry of
Financial Institutions

Table of Contents

Minister's message	2
Deputy Ministers' message	3
Consumer protection	
Business Practices Division	6
Financial regulation	
Financial Institutions Division	9
Public entertainment standards	
Athletics Commissioner	12
Lotteries Branch	13
Theatres Branch	13
Public safety	
Technical Standards Division	14
Statistical records	
Registration Division	16
Policy and Administration	
Legal Services	18
Policy and Planning	19
Support Services Division	19
Boards and Commissions	
Commercial Registration Appeal Tribunal	21
Liquor Control Board of Ontario	22
Liquor Licence Board of Ontario	23
Ontario Racing Commission	24
Ontario Securities Commission	25
Pension Commission of Ontario	26
Independent Agencies	27
Legislation administered	28
Organization of the Ministry	29
Financial Statements	30

Note:

In May, 1985, responsibility for the Residential Tenancy Commission was transferred from the Ministry of Consumer and Commercial Relations to the Ministry of Housing. More information on the Residential Tenancy Commission can be obtained through the Ministry of Housing.

■ Consumer Protection

Business Practices Division

With 14 acts designed to protect consumers and maintain certain standards of conduct in business and industry, the Business Practices Division is a formidable opponent to poor business practices in Ontario.

The division's most powerful piece of legislation is the Business Practices Act, which prohibits false, misleading, deceptive or unconscionable representations made to consumers by business.

In its primary role as consumer protector, the division investigates and monitors consumer concerns, recommending new legislation when necessary. Through its licensing and registering functions, it also has authority in certain industries to impose guidelines and standards of conduct. These industry areas include real estate, motor vehicle dealerships, travel agents and wholesalers, itinerant sellers, collection agencies, consumer report agencies and mortgage brokers.

The Ontario New Home Warranties Plan Act, the Athletics Control Act and the Lotteries Branch also operate under the authority of the Business Practices Division.

■ Investigation and Enforcement Branch

Various forms of fraud relating to automobiles continue to be the main concern of the Investigation and Enforcement Branch. Investigators uncovered a number of unsavory practices that led to criminal charges during the year.

By taking the ministry 'ghost car' — one which has prearranged faults — to several randomly chosen repair shops, investigators discovered 10 to 12 per cent of the shops were involved in cheating the consumer. As a result, 170 combined charges were laid by the branch under the Criminal Code and the Business Practices Act.

One auto dealership was found to have purchased 262 vehicles from auto auctions and leasing companies, sources notorious for high-mileage vehicles. The cars were then sold outside the province at premium prices, but the dealership maintained no record of the sales.

The metric odometer continues to be a convenient tool for unscrupulous dealers who wish to misrepresent the value of the cars they sell. A car with 130,000 km on it will show only 30,000, and, with a little care and clean-up, can be sold as a low-mileage vehicle for \$1,000 to \$1,500 more than it is worth.

Investigation in other areas also resulted in criminal charges. In conjunction with London police, the branch laid a total of 260 charges of theft and defrauding the public against a London-based tour promoter.

A lengthy investigation into vacation land sales in Ontario was completed. At year-end, fraud charges were expected to be laid against several individuals.

More than 511 investigations were conducted during the year while action took place on 1,068 counts under the Criminal Code and the division's various acts. The branch's conviction rate approached 80 per cent.

Ontario's consumers recovered \$172,160 through court orders or voluntary restitution as a result of Investigations' efforts. Court-levied fines totalled \$107,810.

■ Real Estate and Business Brokers

An active real estate market, particularly in Ontario's urban areas, made the province's registrar of real estate and business brokers a popular speaker at industry functions during the year. In 1985, close to 115,000 multiple-listing transactions took place in Ontario, an increase of 25 per cent over the previous year. More than half the real estate transactions in Canada took place in Ontario. Large firms merged to create industry giants, while small, very specialized firms began to appear.

In the midst of this activity, the emergence of several entrepreneurs promoting real estate courses promising fast and easy riches was no surprise.

Equally lacking in surprise was the substantial increase in activity relating to the Real Estate and Business Brokers Act, resulting in 22 proposals to refuse, suspend or revoke registration.

Within his mandate to maintain certain standards of conduct, the registrar also instituted several prosecutions under both the Criminal Code and the Real Estate and Business Brokers Act. Disciplinary proceedings also played a large role in the 550 informal meetings held by the registrar during the year.

In other meetings, the registrar offered advice and consultation. Almost 20,000 requests for information from industry and the public were received.

■ Motor Vehicle Dealers

Several years of discussion and negotiation culminated this year in the announcement of a new protection plan for Ontario car buyers. The Motor Vehicle Dealers Compensation Fund was established in co-operation with the office of the registrar of motor vehicle dealers and representatives of the auto sales business. It provides protection to members of the public who suffer a financial loss through a transaction involving a trade in a motor vehicle with a registered motor vehicle dealer.

Purchasers who have paid deposits to a dealership which cannot deliver the automobile because of receivership or bankruptcy, and persons with unsatisfied claims against a dealer-guaranteed warranty, may also claim against the fund.

Entirely financed by the auto-dealership community, the fund replaces the previous practice of bonding dealers. Bonding proved financially inadequate in recent years. The new fund allows claims of up to \$10,000 for each consumer transaction made with the dealer.

The fund will be managed by a board of trustees appointed by the Lieutenant Governor-in-council. The board will determine the eligibility of claims and approve appropriate compensation.

As with many of the ruling bodies within the ministry, judgments made by the board may be appealed through the Commercial Registration Appeal Tribunal.

■ Travel Industry Act

Two major corporate failures rocked Ontario's travel industry during the year, demanding fast action under the Travel Industry Act.

In September, Jetlink 'Eagle Air Tours Inc., a charter airline operator, collapsed. Six months later, Unitorus (Canada) Limited, one of the largest wholesalers in the country, went into receivership. More than 20 other small failures occurred in the industry during the year.

When an industry failure takes place in Ontario, staff of the Travel Industry Compensation Fund work with representatives of the industry. Moving quickly, usually within hours of a collapse, they ensure that no Ontario travellers are stranded, that those en route may complete their tours and that those about to embark may do so. Their authority extends to chartering aircraft to bring stranded travellers home, when necessary.

Entirely financed by the travel industry, the Travel Industry Compensation Fund also reimburses consumers who have prepaid an Ontario-registered travel agent or wholesaler for travel services they did not receive.

Approximately \$1.4 million was paid out on claims against the fund during the year, bringing the total to \$9.7 million since its establishment in 1975.

Travel advertising in Ontario is also monitored by the office of the registrar and the Alliance of Canadian Travel Associations to ensure that it falls within the guidelines established in the Travel Industry Act.



Travellers who book vacations through agencies registered in Ontario are protected by the Travel Industry Compensation Fund in the event of an agency or wholesaler failure.

■ Bailiffs, Collection Agencies, Consumer Reporting Companies and Mortgage Brokers

The most significant development in this office during the year was an amendment to the Mortgage Brokers Act, designed to make registrants more accountable for their financial transactions. A more comprehensive audit system was introduced, which includes trust monies collected and reviews the direct or indirect administration of funds or assets.

As a result of the tighter controls on mortgage brokers, 85 applicants chose not to renew or withdrew their applications for registration.

In pursuit of his responsibility to ensure certain standards of conduct are maintained, the registrar refused, suspended or revoked the registrations of four bailiffs, one collection agency and two mortgage brokers during the year.

Again with reference to mortgage brokers, the registrar continued his campaign to elicit the support of newspaper advertising managers. Letters were sent to all Ontario newspapers asking them to refuse advertising requests from unregistered mortgage brokers. This campaign has proved successful in controlling the activities of unregistered brokers.

■ Condominium Act

Since 1982, Business Practices has offered information on the legal aspects of condominium ownership to boards of directors of condominium corporations, the legal profession and the public. This service is provided by a full-time condominium officer, who receives, on average, more than 400 requests for information each month.

On a limited basis, the office also offers assistance to corporations and unit owners preparing prosecutions under the act.

■ Consumer Advisory Services

A concerted effort was made during the year by the province's eight Consumer Services Bureaus to ease consumer problems experienced with the residential paving industry.

Complaints received by the bureaus were brought to the attention of industry representatives at meetings organized by the bureaus. As a result, standards of operation were developed for firms operating in the industry and a fact sheet was written to assist the consumer in hiring a reputable paving firm. Steps were also taken to ensure all paving firms operating in Ontario were registered with the ministry.

Aside from paving, it was sour automobile deals and home renovation contracts that brought the most complaints to the bureaus during the year. Renovation complaints centred on poor workmanship, contract problems and contractors who fail to return to complete project.

Approximately 12,000 complaints were handled by the bureaus during the year. Close to \$1 million was returned to consumers through the action of the bureaus. Another \$1.6 million was saved by terminating contractual obligation.

The Consumer Services Bureaus also monitored retail advertising to ensure compliance with existing consumer legislation.

■ Discriminatory Business Practices Act

The Discriminatory Business Practices Act, administered by the Consumer Business Practices Division, prohibits agreements by business associations in discrimination on the basis of race, creed, color, national origin, place of origin, sex or gender.

Five reports of requests to bid for contracts were received by the Discriminatory Business Practices Division during the year.

ing companies advised the division they had responded either by refusing to submit a bid, by deleting the clause(s) in question or by revising their bids to comply with the statute.

Acts administered:

Bailiffs Act
Business Practices Act
Collection Agencies Act
Condominium Act
Consumer Protection Act
Consumer Protection Bureau Act
Consumer Reporting Act
Discriminatory Business Practices Act
Mortgage Brokers Act
Motor Vehicle Dealers Act
Paperback and Periodical Distributors Act
Real Estate and Business Brokers Act
Residential Complex Sales Representation Act
Travel Industry Act

Non-regulated areas:

Petroleum Franchising Guidelines
Equal Credit Opportunity Guidelines

Executive Director:

Jan Rush

Director of Investigation and Enforcement Branch:

Dave Mitchell

Registrar of Motor Vehicle Dealers Act:

Al Abrams

Registrar of the Travel Industry Act:

Doug Caven

Registrar of Bailiffs, Collection Agencies, Consumer Reporting and Mortgage Brokers Acts:

Bill Stoddart

Registrar of Real Estate and Business Brokers Act:

Al Coleclough

Director of Consumer Advisory Services Branch:

Dave Radford



Continual monitoring of the auto sales and service business in Ontario is one major aspect of the activities of Business Practices' Investigation and Enforcement Branch. Through the efforts of the branch, auto fraud is kept to a minimum in the province.

■ Financial Regulation

Financial Institutions Division

The operations of the Financial Institutions Division focus on two key offices: those of the Superintendent of Deposit Institutions and the Superintendent of Insurance. Deposit Institutions regulates and registers loan and trust companies, credit unions and caisses populaires. It also incorporates co-operative corporations.

Insurance oversees life, property and casualty insurance companies and licenses life insurance agents and general insurance agents not covered by the Registered Insurance Brokers of Ontario. The Motor Vehicle Accidents Claims Fund is also administered through the office of the Superintendent of Insurance.

The operation of Ontario's 800 cemeteries was also monitored by Financial Institutions until year-end.

■ Deposit Institutions

The Task Force on Financial Institutions, led by Dr. Stephan Dupré, presented its final report to the minister early in the year. Its many recommendations were designed to promote consumer confidence in deposit-taking institutions and to maintain financial stability among the institutions themselves.

■ Credit Unions and Co-operatives

Ontario's credit unions serve 1.9 million residents and represent assets of \$7 billion. Although this is an increase of almost \$500,000 over last year, continued consolidation in the industry resulted in the number of credit unions dropping by 43 over the year.

The industry's reserves maintained a consistent growth rate through the year, but their level remains a concern as 46 credit unions continue to sustain losses.

Directives issued in August were designed to improve this situation, stressing the need to build surplus and capital, monitor liquidity requirements and minimize extended periods of borrowing from other lenders. Discussions continue with credit unions and caisses populaires with a view to accelerating industry rehabilitation and building for a strong future.

Compliance with regulatory requirements is now monitored through the branch's computer system, installed in 1985, although on-site examinations also continue. A number of non-compliance issues were revealed during the year, requiring action by the credit unions and their leagues.

The new computer system also offers individual credit unions a format and procedure with which they can develop their own financial plans and five-year forecasts. This feature was implemented to promote uniform long-term financial planning throughout the industry.

The need for revised legislation in the co-operatives area was addressed during the year when comments were requested from the industry on required changes. A number of submissions were received

and at year-end, consultation was continuing with co-operatives and other interested parties.

The number of co-operatives operating in Ontario increased to 863 this year from 824. The vast majority of these are housing, day-care or nursing co-operatives; others serve agricultural, marketing and service needs.

■ Loan and Trust

Several recommendations made by the Task Force on Financial Institutions relating to the loan and trust industry were incorporated into the Loan and Trust Corporations Act, 1985, introduced in December. Provisions in the new legislation deal with aspects of conflict of interest, management responsibility and self-dealing. Individual capital level requirements are established for loan companies, for trust companies and for commercial lending and leasing operations. Another section establishes a structure in which companies may earn the right to expand in size or capacity by demonstrating competence and responsibility.

The culmination of two years' consultation, the act applies to all companies registered in Ontario and is expected to be implemented in 1987.

The new legislation can be viewed, at least in part, as an indirect result of circumstances that led to the takeover of three trust companies by the Registrar of Loan and Trust Companies in 1983. Two of these companies remain under the stewardship of the branch, whose agents continue to handle the disposition of the corporations' assets and their day-to-day operations.

Regulatory and supervisory emphasis has increased during the year, giving the branch opportunities for early identification of potential problem areas in regulated companies. Examinations of provincially incorporated loan and trust companies led to legal proceedings late in the year against corporations that had failed to file financial statements with the branch. One loan company was wound up after examination and investigation by the branch.

Co-operation with federal counterparts continued, as task forces made up of representatives from several jurisdictions were set up to promote uniformity in supervisory powers, regulation and reporting practices across the country.

The branch currently monitors and regulates 89 loan and trust corporations; 26 incorporated provincially, the balance incorporated federally or extra-provincially.

■ Insurance

Changes in the insurance marketplace touched the lives of most Ontarians during the year. In an effort to address insurance cost and capacity in Ontario, several projects were implemented of both a short and long-term nature.

The Ontario Task Force on Insurance was established in January to investigate the current situation and develop measures promoting market stability, policyholder protection and economic opportunity for insurance companies. The task force will report in May, 1986.

Also in January, an insurance information line was set up to assist the public with insurance matters. Problems faced by businesses and non-profit organizations in obtaining liability coverage were a particular concern. By year-end, 1,107 calls had been received.

The co-operative efforts of the insurance industry were instrumental in the success of another arrangement to ease immediate concern. The Market Assistance Program is a subscription policy arrangement

providing liability coverage to organizations that have exhausted all other insurance sources. Coverage is provided through the pooled resources of several insurance companies.

The branch also promoted the concept of insurance exchanges to help the insurance needs of many organizations. Booklets were published in English and French, explaining the idea of this sharing arrangement and the steps involved in setting one up.

In February, amendments were introduced to the Insurance Act to establish a national compensation plan for the general insurance industry. Financed and operated by the industry, the plan, when implemented, will provide limited monetary compensation to policyholders and claimants of insolvent insurance companies. The same bill introduced increased capitalization levels and higher regulatory standards for property and casualty insurance companies operating in Ontario.

Discussions are continuing to create a similar plan for the life and health insurance industry.

Phase I of the Report of the Insurance Exchange Committee was accepted in January, projecting an implementation date of Jan. 1, 1987. A centralized market facility for placing insurance risks, the exchange is expected to help provide relief from the current market difficulties. In the long term, it should also expand the capacity to offer insurance and, in some risk areas, recapture premium dollars currently leaving the country and provide a source of domestic reinsurance.

Opportunities and risks facing the insurance industry generated lively debate at the annual Canadian Council of Superintendents meeting in September. Ontario's superintendent played host to the conference, which was attended by 500 delegates from across Canada.

■ Motor Vehicle Accident Claims Fund

Although compulsory automobile insurance was introduced in Ontario in 1979, the Motor Vehicle Accident Claims Fund still plays an important role in settling some accident claims. It compensates victims of car accidents in Ontario caused by uninsured or unidentified vehicles where the victim is not otherwise covered by insurance.

This year, the number of claims continued a steady decline, down to 706 this year from 813 last year. As claims made against the fund prior to implementation of compulsory insurance continue to be resolved, payouts from the fund also continue to drop dramatically. Just over \$4 million was paid out this year, compared with \$6.7 million last year.

This year's operating surplus of \$3.5 million, added to last year's surplus, has created a balance of \$5 million in the fund.

At year-end, 110 claims were outstanding, with a total estimated liability of \$11.8 million, averaging \$10,688 per claim.

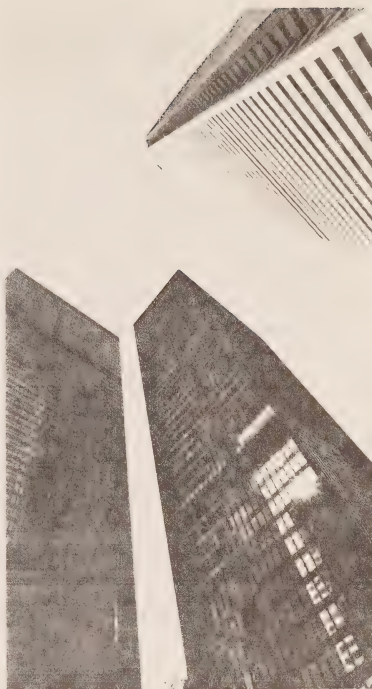
■ Cemeteries Branch

The Cemeteries Branch endeavors to ensure certain standards of operation are maintained in Ontario's cemeteries, crematoria and other interment institutions.

Perhaps its most interesting activities this year related to newly discovered historic grave sites. Pioneer and native burial grounds were revealed through excavation and erosion.

In co-operation with the archeological section of the Ministry of Citizenship and Culture's Heritage Branch, the Cemeteries Branch worked to record, stabilize and protect these sites.

Ensuring the proper maintenance of records is an important aspect of Cemeteries' responsibilities. This year, more than 2,100 inspections



Several recommendations designed to promote consumer confidence in deposit-taking institutions and maintain financial stability among the institutions were included in a task force report presented to the minister early in the year.

of cemetery records were conducted and two sets of accounts were examined. Approval was granted for 24 new interment facilities, including three crematoria and 13 mausoleum, columbaria structures, creating 7,000 above-ground entombment spaces.

The branch also provides assistance to the interment industry. Cemetery owners this year submitted 720 requests for changes in rate tariffs, operating regulation, contracts and land and building layout plans. Close to 1,200 owners—mostly small, volunteer, non-profit and religious operators—also received general assistance from the branch.

Information and assistance are also available to the general public through the branch. This year, 3,300 requests for information were received from the public. One hundred public complaints were investigated.

■ Investigations

When delinquent or improper conduct is suspected by division registrants – loan and trust companies, credit unions, insurance companies and cemeteries – investigators provide administrative support and suggest remedial action to correct problem areas. In their reports on these companies, they may also recommend corrective procedures or prosecution of anyone violating division acts.

The expanded role of the Investigations Branch has led to an increase in the number and status of the investigators employed. Previously designated provincial offence officers, investigators were granted the status of special constable this year. As a result, they are now authorized to participate in investigations of persons suspected of engaging in criminal activities restricted by acts under the administration of the division. When criminal conduct is suspected, branch personnel conduct their investigations in co-operation with local police authorities.

Note:

On March 26, 1986, the premier of Ontario announced that the Financial Institutions Division would separate from the Ministry of Consumer and Commercial Relations to become an independent ministry. This change took effect April 1, 1986, and Bryan Davies was appointed deputy minister. The offices of the new ministry remained at 555 Yonge Street in Toronto.

Cemeteries Branch was the only section of the Financial Institutions Division that remained with Consumer and Commercial Relations, having become part of the Business Practices Division.

Acts administered:

Cemeteries Act

Compulsory Automobile Insurance Act

Co-operative Corporations Act

Credit Unions and Caisses Populaires Act

Guarantee Companies Securities Act

Insurance Act

Investment Contracts Act

Loan and Trust Corporations Act

Marine Insurance Act

Motor Vehicle Accident Claims Act

Ontario Credit Union League Limited Act

Ontario Deposit Insurance Corporations Act

Prearranged Funeral Services Act

Prepaid Hospital and Medical Services Act

Registered Insurance Brokers Act

Assistant Deputy Minister (Financial Institutions):

George McIntyre

Superintendent of Insurance:

M.A. Thompson

Superintendent of Deposit Institutions:

J.J. Wilbee

Director of Insurance Operations:

R.G. Cooper

Director of Loan and Trust Operations:

D.J. Reid

Director of Investigations:

P. Yakubovich

Director of Credit Unions and Co-operatives Services:

T.T. Robins

Director of Motor Vehicle Accident Claims Fund:

E.H. Miles

Manager of Cemeteries Regulation:

M. Fitzgerald

Manager, Policy, Planning and Legal Services:

M.C. Parrish

Office of the Athletics Commissioner

The office of the Athletics Commissioner promotes good conduct in professional boxing, kick-boxing and wrestling and ensures the safety of all participants.

Judges, referees, timekeepers and physicians for all such licensed professional matches are approved and assigned by the commissioner.

The public profile of this office increased dramatically during the year as Ontario boxer Shawn O'Sullivan turned professional. As he went into the ring with a 9-0 record to knock out Mexico's Thomas Garcia in March, it was the Athletics Commissioner who ensured that all licensing and safety regulations were met.

The increased popularity of professional wrestling internationally was also felt in Ontario, where record crowds continue to attend matches in Toronto's Maple Leaf Gardens, under the supervision of the office.

At the administrative level, redrafting of regulations under the Athletics Control Act was completed and approved in November. The revisions provided for more extensive medical monitoring of fighters and expansion to include kick-boxing. This allowed for a world title kick-boxing match to be held in Ontario for the first time.

The new safeguards require participants to undergo complete medical examinations, including neurological testing, under certain circumstances. These include participants who have had a knockout or technical knockout decision against them or who have, in the opinion of the judges, suffered a severe beating. Refusal to undertake these tests will result in suspension of the participant from future bouts.

The new regulations will be reviewed in two years with reference to the data gathered from medical monitoring up until that point.

The revisions are in addition to existing regulations established under the act in 1948.

Act administered:
Athletics Control Act

Commissioner:
Clyde Gray



Ontarians spent approximately \$320 million on bingo in 1985, almost \$20 million more than the previous year.

Lotteries Branch

The Lotteries Branch endeavors to ensure a fair deal for players in social gaming in Ontario, while maximizing the funds raised for charitable purposes and community improvement.

In co-operation with municipalities, the branch licenses and regulates bingos, Nevada tickets, raffles and Monte Carlo nights operated by charitable organizations, churches, agricultural fairs, carnivals and private companies in Ontario. Government-run lotteries, such as Wintario, and horse racing are not covered by the branch's activities.

Approximately \$500 million was spent on social gaming in Ontario in 1985, \$320 million of that on bingos. The continued popularity of bingos is evidenced by an increase of almost \$20 million over 1984 figures. Automated game techniques, increased accessibility and the expanding market all contributed to this growth.

The branch licensed more than 1,400 Monte Carlo functions in the past year. Ontario charities have found these functions with games of chance such as blackjack and wheels of fortune, to be a popular and efficient method of fund-raising.

A three-member task force is reviewing social gaming and licensing in Ontario, investigating and researching their practical application in charitable fund-raising.

A review of the final report of the task force will assist in realigning the mandate of the branch to reflect today's social gaming marketplace. It will also help to establish parameters within which the branch may address future issues.

Section 190 of the Criminal Code is administered

Director:
D.F. Speight

Theatres Branch

Since 1911, the Theatres Branch has been responsible for maintaining quality standards in Ontario cinemas, both on the screen and in the theatre.

Through its classification and approval process, the Film Review Board of Ontario ensures films are consistent with community standards and gives the public a guide to film content. By licensing distributors, exhibitors and projectionists and inspecting the province's cinemas, the branch maintains the high level of professional and safety standards that Ontario's movie-going public has come to expect.

As the video industry continued to expand at a great rate, the mammoth task of identifying and classifying all videos currently available in the province continued. Meetings with representatives of the industry to co-ordinate and implement systems for the branch's expansion into videos also continued. The expansion of board authority to include the rental and sale of videos was granted through legislative amendments in 1984.

Close to 4,000 films and videotapes were reviewed and classified by the 24 Film Review Board members during the year. The four classifications are Family (F), Parental Guidance (PG), Adult Accompaniment (AA) and Restricted (R). Of those reviewed this year, 3,484 were approved, 233 were approved subject to editing and 134 were not approved.

At the same time, members participated in 78 public meetings and 186 media interviews. Through these, board members are more able to assess public views on film issues, align the board's standards with those of the community and clarify the board's role within the community.

Throughout the year, cable television networks, schools and libraries across the province continued to rely on the board's judgment to determine whether specific films and videos are appropriate for their viewing audiences.

The Theatres Branch publishes an independent annual report on its operations.

Act administered:
Theatres Act

Director:
Mary Brown

Technical Standards

The mandate of the Technical Standards division is to promote public safety in four specific areas through its regulation, inspection and licensing programs. Elevating Devices Branch examines and registers the design of new elevators, escalators, moving walkways, ski and chair lifts, as well as industrial hoists and lifts.

The Fuels Safety Branch regulates certain safety aspects of gasoline, fuel oils, natural gas, propane, some related products and the appliances that use them.

Proper installation, construction and design of boilers and pressure vessels are among the areas of responsibility of the Pressure Vessels Safety Branch.

Maintaining quality standards of stuffed articles is the responsibility of the Upholstered and Stuffed Articles Branch.

■ Elevating Devices

Branch authority expanded considerably during the year with passage of the Amusement Devices Act. Under its new regulations, inspectors will now monitor the commercial operation of go-karts, carnival rides, water slides and related equipment. Specific regulations concerning go-karts were completed during the year for implementation early in the 1986 season. Development of regulations for other devices will continue through 1986.

Another major concern related to the strength of elevator doors. Investigations resulted in an order to retrofit all passenger elevator entrances. This is now under way.

Development of standards continued through the year with two significant advances. A completely revised Canadian standard for elevator safety was introduced, and standards for lifts installed in private homes for handicapped residents were finalized. These are expected to be issued by the end of 1986.

The branch carried out 26,700 inspections during the year and realigned its field organization. Conventional elevating devices are now administered under one management structure, while special devices, including amusement rides, ski lifts and construction hoists, fall under a separate structure.

■ Fuels Safety Branch

Concerns over safety factors in vehicles using alternative fuels prompted several actions by the branch during the year.

Draft regulations were completed for compressed natural gas as a vehicle fuel. An estimated 2,000 natural gas vehicles now operate in Ontario.

More than 21,000 propane vehicle owners were advised by letter of the potential risks of a particular type of fuel hose used in some

vehicles. To help keep owners better informed, the branch has completed a computer data base of information on Ontario's 45,700 propane vehicles.

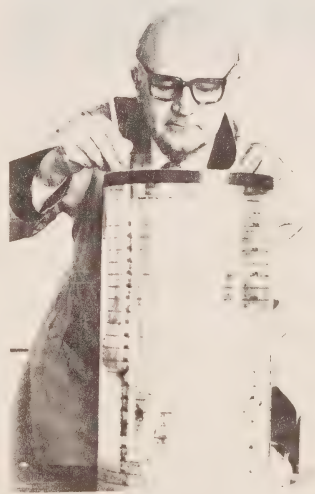
In the area of gasoline handling, a methanol/gasoline-blend vehicle fuel demonstration program was started in the Hamilton/Burlington area. And in response to reports of leaded gasoline being pumped into "unleaded gas only" vehicles, the branch surveyed 500 Ontario service stations. It found less than half of one per cent of stations had illegal nozzles to substitute the cheaper leaded fuel.

Summer students were employed in a program which identified 850 locations of disused underground petroleum storage tanks in Ontario.

Other branch programs promoted safety at home and at the cottage. In co-operation with the Propane Gas Association of Canada, the branch conducted an information program on the risks of carbon monoxide poisoning from poorly maintained propane refrigerators. With the federal and provincial committees on indoor air quality, the branch continued to study the effects of over-sealing homes on the venting of combustion appliances and fireplaces.

In the technical area, the branch continued its work with Canada's standards writing organizations to develop national standards in the branch's areas of responsibility. Inspection staff investigated 637 incidents involving \$17 million in damage and the loss of 23 lives.

The branch issued 13,600 licences to operate service stations, propane outlets and tanker trucks. Furnace, gasoline handling and conversion contractor registrations numbered 4,200. In the natural gas, propane and fuel oil industries, 62,300 qualification certificates were issued to 49,000 tradesmen.



Inspectors with the Upholstered and Stuffed Articles Branch examined stuffing material to ensure it is accurately identified on the accompanying label.

■ Pressure Vessels Branch

International issues regarding pressure vessels, both nuclear and non-nuclear, topped the branch's priorities during the year.

Negotiations between Atomic Energy Canada and the government of Turkey involved the branch in discussions concerning a nuclear power plant to be installed there. Branch representatives will inspect the installation of the plant and the pressurized equipment used in it.

Representatives also visited France, Germany, Holland and Italy to certify plants and inspect the equipment made there for installation in Ontario.

Support for the Canadian Standards Association standards writing activities continued. One project completed was a set of requirements for lightweight tanks for compressed natural gas vehicles and for refuelling station equipment.

The branch also certifies welders, audits manufacturers' quality assurance programs and licenses operating engineers. Within this role, the Operating Engineers' Board of Review considered three drafts of a revised act and regulation during the year. Recommendations are expected to go to the minister in 1986.

An amendment to the Boilers and Pressure Vessels Act was proclaimed, permitting qualified inspectors from the insurance industry to oversee repairs on boilers and vessels. The amendment also allows some self-regulation on repair work to companies operating on a continuous basis.

More than 2,400 new designs were reviewed by the branch and more than 750 welding procedures were registered. Thirty-five new quality assurance programs were registered; 97 were requified.

New and in-service equipment inspections exceeded 45,000; almost 16,000 welders were certified; more than 1,200 operating engineers' certificates were issued and 10,500 were renewed.

■ Upholstered and Stuffed Articles Branch

As the number of foreign-made goods continued to climb, concern over these imported products increased. Importers and distributors were again encouraged to contact the branch when introducing a new line from overseas.

To familiarize themselves with new product lines, branch representatives visited many trade and craft shows through the year, giving new exhibitors the opportunity to acquaint themselves with branch requirements.

The branch registered more than 700 manufacturers and inspected the products of close to 3,000 manufacturers, wholesalers and retailers. This activity is designed to prevent the use of prohibited stuffing materials and ensure that disclosure labels are attached to items.

Acts administered:

Boilers and Pressure Vessels Act
Elevating Devices Act
Energy Act
Gasoline Handling Act
Operating Engineers Act
Upholstered and Stuffed Articles Act

Executive Director:

G.H. Mills

Director of Pressure Vessels Safety Branch:

H.J. Wright

Director of Elevating Devices Branch:

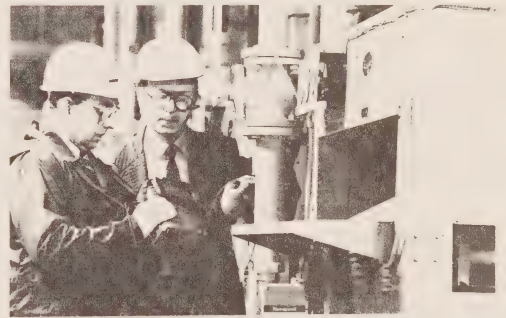
T.G. Smith

Director of Fuels Safety Branch:

R.H. Clendinning

Registrar of Upholstered and Stuffed Articles Branch:

M.A.S. Fitzpatrick



An amendment to the Boilers and Pressure Vessels Act proclaimed during the year permits qualified inspectors from the insurance industry to oversee repairs on boilers and vessels.

Registration Division

Records pertaining to property, business enterprises and vital statistics relating to residents in Ontario are maintained by the Registration Division.

Transactions relating to land title are recorded through 65 Land Registry Offices (LROs) of the Real Property Registration Branch. Security interests in personal property are registered through the 50 field offices of the Personal Property Security Registration Branch, most located in land registry offices.

Vital statistics relating to individuals – births, marriages, divorces and deaths – are recorded in the Registrar General's Office.

Business incorporations, dissolutions and revivals are effected through the Companies Branch, which also registers partnerships, proprietorships and their dissolutions.

The four operating branches of the division are: Companies, Personal Property Registration, Real Property Registration and the Office of the Registrar General.

■ Companies Branch

To clarify the intent of the existing provisions, amendments to the Business Corporations Act were introduced in November.

These changes are mostly "housekeeping" amendments but some will affect the securities industry and other members of the business community.

The first conviction under the Corporations Information Act was secured during the year, when two men were found guilty of filing false or misleading information with the branch.

Study continued into the benefits of computerizing public access files maintained by the branch. These include the incorporating documents; names and addresses of corporation directors; and officers, proprietors and partners of unincorporated businesses. In the past year, 307,000 searches of corporate records and 110,000 searches of sole proprietorships, partnerships and business names were conducted.

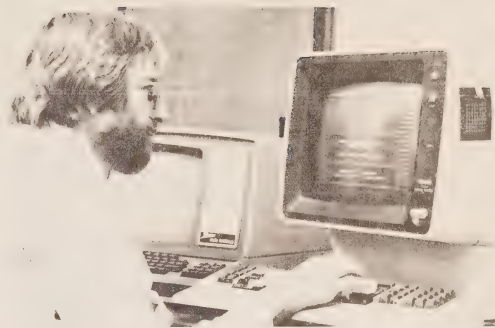
The branch provides this information through its incorporation and registration records.

It also licenses foreign corporations to conduct business in Ontario. Over-the-counter incorporation is available at the head office in Toronto as well as 11 LROs, including those in Barrie and Kitchener, which were added during the year.

This year's figures show 378,000 active corporations and 558,000 active sole proprietorships, partnerships and corporation business names or styles registered with the branch.

New incorporations exceeded 38,000, an increase of 18 per cent. Registrations of unincorporated businesses numbered more than 123,000, an increase of 19 per cent.

The branch adjudicated 74 disputes relating to corporate names.



Systems development was one of several service delivery and operations improvement activities consolidated during the year in the Real Property Registration Branch.

■ Personal Property Security Registration

This program provides a central provincewide registration facility for security interest in personal property.

A report released by the Minister's Advisory Committee on the Personal Property Security Act during the year recommended extensive legislative changes.

Among the changes recommended was the repeal of the Corporations Securities Registration Act. All current registrations under that act would subsequently be included in the Personal Property Security registration system.

The report generated a great deal of public comment, much of it incorporated into a supplementary report to the minister released later in the year. A bill revising the acts is expected to be introduced in the 1986/87 session.

Several projects are currently under way in the branch to accommodate these legislative revisions and to take advantage of new technology.

One technological advance added during the year was an automatic call distributor, which provides more efficient distribution of the average 1,350 telephone inquiries received daily.

Registrations processed by the branch exceeded 1.5 million during the year. Notices of security interests make this information available to the public and establish priority of secured creditors. Through the records, potential buyers or lenders can determine whether personal property has been pledged as security for a debt. Such inquiries during the past year approached 750,000.

■ Real Property Registration Branch

Despite a record workload that included processing 1.4 million mortgages, deeds and other documents, the branch completed several internal projects designed to streamline service to the public.

All service delivery and operations improvement activities in the land registration area were consolidated, including survey standard and title examination, mapping, systems development and implementation. Simplified procedures and deregulation of the examination process

were achieved through a newly revised approach to the examination of survey plans implemented in January.

The ruling-out project, in which discharged mortgages and related documents are deleted from the abstract books, was completed in Toronto-area offices. Other projects designed to improve records and their retrieval continued in preparation for a fully automated operation. These included abstract book collation, backlog document microfilming, document destruction and plan certification.

In addition to land registration, services in many of the province's LROs were expanded to include functions from other branches in the division. Inquiries related to Personal Property Registration are handled in 48 LROs. Over-the-counter incorporation services are available in 11 LROs. Application forms from the Registrar General's Office for birth, death and marriage certificates can be obtained in any Ontario LRO. Courier service direct to Toronto for processing these applications was introduced in the London LRO on a trial basis.

■ Registrar General

Legislative changes announced in January to acts administered by the Registrar General's Office will give Ontarians several new options in naming offspring and in adopting family names upon marriage. Changing a name will become simpler and less costly with the transference of authority from the courts to the Registrar General.

These were among several revisions being incorporated into the Vital Statistics Act and the Change of Name Act. The new Change of Name Act is expected to become law by early 1987.

Adjustments to the Registrar General's computerized files, to incorporate these amendments and to allow for more cross-referencing, continued through the year.

Statistics gathered during the year indicate minor increases in births, marriages, divorces and deaths in 1985. The small increase in divorce was the first in several years, while the others followed established trends. These data find practical application in many areas, from forecasting school enrolment to determining common denominators in causes of death. Coded and collated, statistics are provided to many groups, including the medical profession, environmentalists, municipal planners and Statistics Canada.

The office issued 480,000 documents in 1985, including certificates, certified copies and genealogical statements. More than 10,000 genealogical searches alone were conducted in 1985 on request from the public. Marriages performed in the province numbered 73,000, including more than 10,000 by proxy.

Acts administered:

Bills of Sale Act
Boundaries Act
Business Corporations Act, 1982
Certification of Titles Act
Change of Name Act
Condominium Act
Corporations Act
Corporations Information Act
Corporations Securities Registration Act
Extra-Provincial Corporations Act, 1984
Land Registration Reform Act

Land Titles Act
Limited Partnerships Act
Marriage Act
Partnerships Act
Partnerships Registration Act
Personal Property Security Act
Registry Act
Vital Statistics Act

Assistant Deputy Minister:

B.F. Webber

Director of Real Property Registration Branch:

R.A. Logan

Director of Personal Property Security Branch:

B.W. Gibbs

Director of Property Law Branch, Director of Titles and Land Registration and Registrar of Personal Property Security:

T.M. Rundle

Deputy Registrar General:

R.E. Gager

Director Companies Branch:

H.H. Ozolins (Acting)



Background information on companies registered to operate in Ontario is available to the public through listings maintained by the Companies Branch.

Legal Services

Legal Services prepares new legislation for introduction in the legislature, along with amendments and new and amending regulations. The office also provides legal consultation on any other business conducted by the ministry.

Liquor Control Act
Liquor Licence Act
Mortgage Brokers Act
Pension Benefits Act
Provincial Offences Act
Securities Act
Theatres Act

Director:
Ed Ciernieja

During the year, two new pieces of legislation received royal assent, but were still awaiting proclamation at year-end. These were:

■ Vital Statistics Amendment Act, which offers new parents more options in naming their offspring, eliminates the distinctions between the rights of married and unmarried parents and requires both parents to register a birth;

■ Amusement Devices Act, which requires the registration and licensing of all amusement rides available to the public, including go-karts and water slides. This program will be administered by the Elevating Devices Branch of Technical Standards Division, and is intended to improve public safety.

In addition, the following acts were given first reading during the year and were carried over on the order paper for the following session:

■ Business Corporations Amendment Act, 1986, includes many house-keeping amendments affecting the business and investment communities;

■ Securities Amendment Act, 1986, includes a regulatory framework for clearing agencies and new provisions regarding takeover bids and issuer bids;

■ Operating Engineers Amendment Act, allows persons qualified outside Ontario as operating engineers to receive a provisional certificate to operate in Ontario on application;

■ Loan and Trust Corporations Act, 1986, replaces the previous act, dated 1980, with much more stringent policies in such areas as depositor protection, managerial responsibility and self-dealing;

■ Insurance Amendment Act, 1986, provides a compensation plan for policyholders and claimants when property and casualty insurance companies become insolvent.



The Amusement Devices Act, legislation designed to improve public safety on rides like the roller coaster above, was one of two acts which received royal assent during the year.

New or amending regulations were also passed under the following acts:

Athletics Control Act
Boilers and Pressure Vessels Act
Business Corporations Act
Commodity Futures Act
Condominium Act
Corporations Act
Corporations Information Act
Extra-Provincial Corporations Act
Guarantee Companies Securities Act
Insurance Act
Land Titles Act

Policy and Planning

The Policy and Planning Branch provides advice and analysis to the executive and senior management of the ministry. Such areas as policy development, strategic planning and economic analysis, research and emerging environmental trends are reviewed.

A wide range of analysis and research projects was undertaken during the year. A number of these concerned the regulation of alcoholic beverages, including the introduction of brew pubs and micro-breweries, the sale of beer and wine in independent grocery stores and the minimum drinking age. The branch also provided background information to the Task Force on Financial Institutions and participated in the analysis of its report.

The branch is also engaged in continuing analysis and policy development on federal-provincial issues. It represented the ministry on interministerial committees on these issues and liaises regularly with other provinces and the federal government on such issues as competition policy and amendments to the Bankruptcy Act.

The branch participated in task forces and chaired or represented the ministry in interministerial committees. The director chaired the interministerial racetracks task force.

The research section of the branch administered the food price monitoring program in 37 Ontario communities, analysed trends and comparisons, investigated complaints and published the quarterly Food Price Monitoring Report. In addition, related issues were studied, such as item pricing in food chains equipped with computerized checkouts.

A 1½ day Future Outlook Conference organized by the branch brought together senior ministry executives, representatives from industry and academics. In a round-table environment, they discussed the many issues facing the ministry.

The branch co-ordinated the provision of French-language services to the ministry. To implement and improve services, a number of French-language advisory committees were established in the ministry.

Plans toward the initial implementation of the freedom of information and privacy legislation in the ministry were also initiated and co-ordinated by the branch.

Director:

Joyce S. Feinberg

Support Services Division

The Support Services Division promotes efficient, streamlined ministry operations by providing administrative and technical backup. This support is offered through five branches: Communications Services, Finance and Administrative Services, Internal Audit, Personnel Services and Systems Services.

The office of the executive director also ensures that the same high level of support is available to most of the ministry's agencies, boards and commissions.

■ Communications Services

In what is often a complex arena of consumer rights and commercial regulation, Communications Services offers a wealth of information in various formats.

Brochures provide general information to business and the public on consumer issues and ministry programs. More than 360,000 consumer information brochures were distributed through the branch in the past year.

Similar information is available through Consumer Beats, a monthly quartet of columns distributed for publication across the province. More than 1,000 members of Ontario's English, French and ethnic media each received 43 of these columns free of charge during the year.

The branch's storefront operation, the Consumer Information Centre (CIC), handled more than 130,000 requests for information from the public during the year. Through its outreach program, 38 workshops and 200 consultations were conducted in the consumer education area for teachers and community educators. The centre released close to 8,500 related publications.

The CIC library offers support materials on loan to consumer educators and ministry program people.

News releases, statements in the house and media interviews provide more specific information. New programs are announced, developments within existing programs are outlined, and the continuing regulatory activities of the ministry are reported. News releases in both English and French numbered 150 this year; media requests for detailed information exceeded 1,800.

■ Finance and Administrative Services

The Finance and Administrative Services Branch provides support through three offices.

The planning and budgeting services section encourages program participation in ministry management processes. The financial planning process was reviewed during the year, resulting in changes reflecting a stronger emphasis on program needs for the 1986-87 estimates cycle. Consistent procedures were also promoted by the section through

payment through activities of the section. Several programs were assisted in improving and streamlining their financial procedures.

The administrative services section ensures that appropriate accommodation is found and maintained for the ministry's many offices. Last year, the section relocated four Land Registry Offices and renewed leases on three others. An evaluation of alarm systems in all 65 Ontario Land Registry Offices was also completed. One ministry regional office was relocated to larger premises and two new ones were opened.

To comply with the Human Rights Code, 96 ministry forms were revised, while 73 used by the public were changed to a bilingual format. Ministry identification cards produced by the section numbered 365.

The purchasing unit processed 2,194 purchase requisitions, valued at close to \$4 million, and reviewed 1,345 local purchase orders for compliance with procedures.

■ Internal Audit

The Internal Audit Branch promotes efficient and economic utilization of ministry resources, adequate financial and management controls and compliance with legislation and directives. These goals are achieved through continuing reviews and appraisals of operational, financial and administrative activities in all program areas.

Among the 25 audits completed during the past year were comprehensive, value for money program reviews; electronic data processing; and financial and administrative activities.

The branch also responds to requests for special investigations and critiques of draft policies and regulations. Formal responses from the ministry to all provincial audit reports are also co-ordinated through Internal Audit.

■ Personnel

The Personnel Services Branch offers the ministry a complete personnel consulting service as well as administration of payroll and benefits. Over the past year, five employee relations committees were established, bringing to 11 the number of branch committees working toward improved employee relations. A joint union/management education program was delivered by the branch to promote better understanding of issues of mutual concern.

The ministry's human resources planning and development process was given future direction through recommendations developed by the branch's Human Resources Advisory Committee.

In the Affirmative Action Office, a conference was organized for 45 regional representatives and elections were held to establish 80 representatives for two-year terms.

■ Systems Services Branch

Keeping up to date with the rapid advances in information technology, the Systems Branch offers the ministry full services in all aspects of information technology. The branch's responsibilities include needs analysis, development and installation of equipment, maintaining existing systems in good working order and ensuring they are safeguarded with appropriate security.

During the past year, a shared word-processing system was installed by the branch, combining the functions of integrated office automation with end-user computing support. The new system also afforded linkage of shared facilities by communication lines.

The branch also looked to the future this year, by participating in the development of a long-range plan for the implementation of new

technology in the ministry. Expected to be approved in 1986/87, the plan emphasizes the use of computer technology to improve both public service and ministry productivity.

Several major analysis and development projects were completed for other divisions and branches in the ministry over the year.

Systems also offers a training program for women who demonstrate an aptitude for analytical work through the Affirmative Action Office. The program, based on a six-month apprenticeship, was expanded during the year to permit participation by other ministries and agencies.

Executive Director:

Helen Vanner

Director of Internal Audit:

John Macpherson

Director of Finance and Administrative Services:

Dianne Nagel (Acting)

Director of Personnel Services Branch:

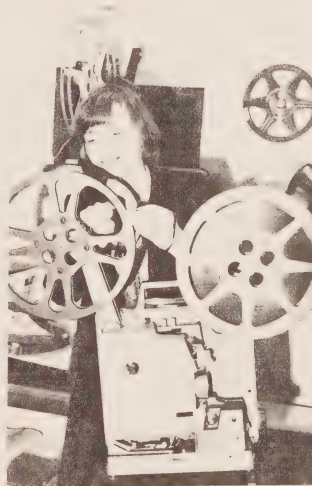
Leon Dorff (Acting)

Director of Systems Services:

Werner Nuss

Director of Communications Services:

Ab Campion



With films, videotape, hands-on exercises and lectures, the ministry's Human Resources section helps employees develop their job skills

I Boards and Commissions

Commercial Registration Appeal Tribunal

Decisions made by officials of the ministry and some agencies and boards reporting to it may be appealed through the Commercial Registration Appeal Tribunal. Matters relating to licences – issuance, revocation and renewal – and cease and desist orders involving unfair business practices fall under the tribunal's jurisdiction.

Traditionally, the majority of appeals made to the tribunal relate to liquor licensing or the Ontario New Home Warranties Plan Act. However, consumer reporting agencies, real estate brokers and sales people, automobile dealers and salespersons, collection agencies and travel agencies and wholesalers may also appeal through the tribunal. The tribunal also hears appeals of decisions regarding compensation fund claims under the Travel Industry Act and the New Home Warranties Plan Act.

Of the 42 appeal decisions published by the tribunal during 1985, 11 related to claims under the Ontario New Home Warranties Plan Act and seven dealt with liquor licensing.

Three decisions stand out as illustrations of government responsibility, innovation and flexibility under special circumstances.

One appeal under the Ontario New Home Warranties Plan Act raised an issue never dealt with before by the tribunal. A mortgagor who had obtained possession of a property through a mortgage default required a ruling on whether he was an owner within the meaning of the act. The tribunal decided in the mortgagor's favor, entitling him to all the protection of the act accorded to any owner. This decision was appealed to the divisional court, but that appeal was subsequently abandoned.

An appeal under the Real Estate and Business Brokers Act brought another difficult issue to light. The tribunal was asked to consider an application by an individual who had previously been convicted on a charge of conspiracy to import counterfeit money. At the time of the hearing, the applicant was still on probation. In its decision, the tribunal ruled only persons of complete trustworthiness should be considered suitable for registration. Accordingly, the appeal was denied.

In another case, some 50 claims by residents of the United States arose out of the failure of an Ontario travel agency. In this situation, the tribunal ruled it would accept affidavit evidence in lieu of having the claimants appear in person to prove their claims under the Travel Industry Act.

In 1985, 169 appeals were received by the Commercial Registration Appeal Tribunal, compared with 195 in 1984.

The Statutory Powers Procedure Act governs the tribunal's procedures. Its decisions may be appealed to the Divisional Court.

Summaries of the tribunal's decisions are published annually.

Acts giving jurisdiction to the tribunal:

Bailiffs Act
Business Practices Act
Collection Agencies Act
Consumer Protection Act
Consumer Reporting Act
Credit Unions and Caisses Populaires Act
Discriminatory Business Practices Act
Liquor Licence Act
Ministry of Consumer and Commercial Relations Act
Mortgage Brokers Act
Motor Vehicle Dealers Act
Ontario New Home Warranties Plan Act
Paperback and Periodical Distributors Act
Real Estate and Business Brokers Act
Travel Industry Act
Upholstered and Stuffed Articles Act

Chairman:

Stephanie J. Wychowanec

Liquor Control Board of Ontario

Since its establishment in 1927, the Liquor Control Board of Ontario (LCBO) has been responsible for the distribution of alcoholic beverages in Ontario. It tests products for sale, controls their sale and transportation and operates all liquor stores in the province.

Several positive steps were taken during the year to put a friendlier face on the LCBO. Christened the "I.M.A.G.E. Program," these initiatives produced a completely new look in 115 stores throughout the province.

Working closely with the wines and spirits trade, the LCBO created a warmer, more colorful and inviting shopping atmosphere for the Ontario consumer. From the outset, customer service was recognized as a key element in the success of the program. With this in mind, the LCBO provided customer service and product knowledge seminars for staff. Over 2,400 employees attended the 237 workshops presented.

The Rare Wines and Spirits operations were renamed "Vintages," and new stores were opened in Mississauga and North York. Along with the new name came the first in-store tastings for Vintages clientele.

Other innovations introduced during the year included a federal-provincial agreement to allow privately run, LCBO-monitored duty-free shops, selling liquor along the Ontario/United States border. The micro-brewery concept was also introduced, allowing small breweries to operate in the province. A special kosher section was created in a north Toronto LCBO outlet to serve its predominantly Jewish market.

In November, a judicial inquiry was launched to determine why several products found to contain contaminants were allowed to remain on LCBO shelves. Health and Welfare Canada (federal) joined the LCBO in a testing program designed to speed up the monitoring of all alcoholic products available in Canada. New test procedures for substances not previously monitored were also developed and instituted.

Acts administered:

Liquor Control Act
Wine Content Act

Chairman:

Jack Ackroyd

Executive Vice-President of Administration:

F.A. MacInnis

Executive Vice-President of Operations:

D.H. Jackman



The LCBO's wine tasters also act as consumer advisers when the board's customers seek help in choosing the appropriate accompaniment to dinner.

Liquor Licence Board of Ontario

The Liquor Licence Board of Ontario (LLBO) was established in 1946 to license and regulate persons and premises involved in the sale of beer, wine and spirits, and those who manufacture them. The board also monitors all alcoholic beverage advertising and issues Ontario Photo Cards.

A new board and chairman were appointed during the year. The board was instituted as the Ontario Liquor Advisory Committee with a mandate to initiate an intensive and comprehensive review of liquor laws and regulations in Ontario. Within this process, the views of the citizens of Ontario, public and private interest groups and municipal governments within the province are being sought. Many issues are under scrutiny, including age of majority, hours of operation and the type and nature of liquor licences. It is expected that the Liquor Advisory Committee will make recommendations for change to the minister in the winter of 1986.

New legislation is expected to result from this review over the next year; some changes have already been introduced.

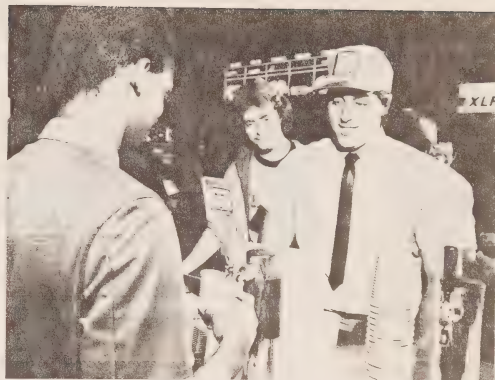
The concept of 'brewpubs' was approved through the LLBO during the year.

To help licensees develop a better understanding of liquor regulation in Ontario, a successful licensee seminar program was continued into its second year. New licensees and licensees seeking a variation from their current licence are required to attend the information session conducted by LLBO licence officers. During the year, 151 such seminars were held, attended by 3,600 licensees.

\$ in millions	85-86	84-85	83-84
Revenue	\$274.5	\$252.7	\$236.2
Expenses	\$ 7.3	\$ 7.0	\$ 6.5
Total licensed establishments	11,583	10,937	10,286
Hearings	208	283	276
Licences suspended	59	50	63
Licences revoked	170	159	154
Inspections	53,508	59,676	32,440
Spot checks	44,197	48,366	36,754
Photo cards issued	63,103	68,355	75,936
Special occasion permits issued	156,631	157,245	159,518

Acts administered:
Liquor Licence Act

Chairman:
Douglas Drinkwater



The LLBO conducts server training programs for individuals serving beverages in the province's licensed establishments

The Ontario Racing Commission

The Ontario Racing Commission (ORC) promotes fair and safe operation of Ontario's race tracks through licensing and regulatory programs and by co-ordinating many other aspects of the industry.

Through the Racing Commission Act, the seven-member body is authorized to license all participants and set race dates. Other industry matters, including disciplinary action, are dealt with as necessary. Agriculture Canada is responsible for parimutuel betting, video monitoring of races and testing of horses for prohibited substances.

The racing industry is an important source of employment in the province, employing directly or indirectly more than 43,000 people. With 23 race tracks and more than 1,800 race dates, the Ontario Racing Commission supervises one of the largest jurisdictions in North America.

A new commission with a stronger industry emphasis was appointed in September by the premier. In addition to regular business, the new group is currently conducting a detailed review of the Rules of Standardbred and Thoroughbred Racing.

Wagering on standardbred, thoroughbred and quarter-horse racing topped \$828 million during the year, with attendance in excess of six million. Revenue for the Ontario government from racing amounted to \$61.3 million. Of this, close to \$20 million was rebated to the industry in supplemental purse grants, equine research grants and the Ontario Sires Stakes program.

The success of the Ontario Improvement program for racing stock was reinforced again this year when Ontario-bred horses won close to 75 per cent of the prize money in the Quebec/Ontario Sires Stakes Challenge.

A new licensing fee schedule was released for 1986, designed to improve cost recovering in ORC programs. The commission licensed more than 25,000 participants in 1985.

Efforts to curb drug abuse in race horses continued through the year. Laboratory testing revealed 56 incidents of horses given restricted substances.

Previously conducted randomly, daily breathalyzer testing of human participants directly involved with racing was implemented in May. Plans are under way to expand into human drug testing in 1986.

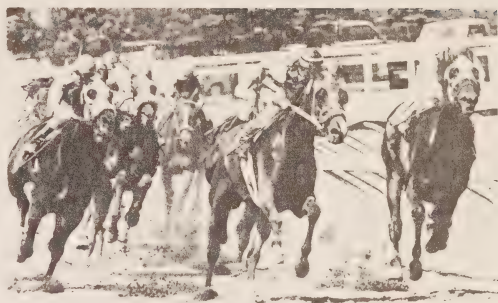
An independent annual report of the operations of the ORC is available through the commission.

Chairman:

Frank Drea

Director:

W.R. McDonnell



Almost \$20 million in racing revenues was rebated to the industry by the Ontario government for supplemental purse grants, equine research grants and the Ontario Sires Stakes programs

Act administered:

Racing Commission Act

The Ontario Securities Commission

Promoting investor confidence in capital markets and encouraging the formation of capital in Ontario are the goals of the Ontario Securities Commission (OSC).

To achieve these goals, the OSC enforces minimum standards of proficiency and conduct for participants in the securities and futures markets. Eligibility for exemption from disclosure requirements is assessed and offering documents are reviewed for compliance with the disclosure requirements found in statutes and policy statements.

The commission also monitors the activities of such self-regulating organizations as The Toronto Stock Exchange, The Toronto Futures Exchange and the Investment Dealers' Association of Ontario.

A spate of corporate takeover bids thrust the OSC into the media spotlight during the year. Creative and effective remedial measures, including two negotiated settlements, were required to enforce both the spirit and the letter of the Securities Act.

When investigations into the Fleet Aerospace Corporation takeover of Fathom Oceanology Limited revealed illegal share purchases, the terms of a negotiated settlement, arranged without the need of a hearing, required the offending parties to cease trading and to donate to charity the net accumulated profits.

Two public hearings followed an intensive seven-month investigation by the OSC into Unicorp Canada's takeover bid of Union Enterprises. The terms of a resulting negotiated settlement required Unicorp and Gordon Capital to pay \$6 million and \$1.1 million, respectively, to the 14,000 minority shareholders of Union Enterprises. One of the largest of its kind, the settlement was negotiated to ensure equal treatment of all Union shareholders.

The OSC is an active member of the Uniformity Committee created by the Canadian Securities Administrators, which promotes efficiency in the national market through uniform legislation and consistent application of national policy statements.

The commission took a leadership role in the national effort to achieve uniformity in takeover bid and issuer bid regulation with legislation introduced in the Ontario legislature in December.

The increasing internationalization of capital markets continues to be an important theme with the OSC with the increased use of multinational offerings, linkages of several stock exchanges, and the growth of competitive capital markets in Ontario in the international context. The OSC recommended easing restrictions on non-resident ownership of Ontario registrants in a major report in February, 1985, in order to enhance their ability to compete in international markets.

The commission conducted 26 public hearings during the year and reviewed 628 offering documents. The value of securities approved for issue exceeded \$10 billion, an increase of almost 50 per cent over the previous year.

Acts administered:

Commodity Futures Act
Deposits Regulation Act
Securities Act
Toronto Futures Exchange Act
Toronto Stock Exchange Act

Commission Chairman:

Stanley M. Beck

Vice-Chairman:

Charles Salter

Director:

Ermanno Pascutto

Deputy Director of Registration:

C.E. Goad

Deputy Director of Enforcement:

John F. Leybourne

Deputy Director of Corporate Finance:

Robert E. Steen

Deputy Director of Commodity Futures:

David D. Walters

Legislation Administered

The following is a list of acts administered by this ministry.

Amusement Devices Act, 1986 (subject to proclamation)
Apportionment Act
Assignments and Preferences Act
Athletics Control Act

Bailiffs Act
Bills of Sale Act
Boilers and Pressure Vessels Act
Boundaries Act
Bread Sales Act
Business Corporations Act, 1982
Business Practices Act

Cemeteries Act
Central Trust Company Act, 1983
Certification of Titles Act
Collection Agencies Act
Commodity Futures Act
Compulsory Automobile Insurance Act
Condominium Act
Consumer Protection Act
Consumer Protection Bureau Act
Consumer Reporting Act
Co-operative Corporations Act
Corporation Securities Registration Act
Corporations Act
Corporations Information Act
Credit Unions and Caisses Populaires Act
Crown Trust Company Act, 1983

Debt Collectors Act
Deposits Regulation Act
Discriminatory Business Practices Act

Elevating Devices Act
Energy Act
Extra-Provincial Corporations Act, 1984

Factors Act

Gasoline Handling Act
Guarantee Companies Securities Act

Insurance Act
Investment Contracts Act

Land Registration Reform Act, 1984
Land Titles Act
Limited Partnerships Act
Liquor Control Act
Liquor Licence Act
Loan and Trust Corporations Act

Marine Insurance Act
Marriage Act
Ministry of Consumer and Commercial Relations Act
Mortgage Brokers Act
Motor Vehicle Accident Claims Act
Motor Vehicle Dealers Act

Ontario Credit Union League Limited Act, 1972
(unconsolidated and unrepealed)

Ontario Deposit Insurance Corporation Act
Ontario New Home Warranties Plan Act
Operating Engineers Act

Paperback and Periodical Distributors Act
Partnerships Act
Partnerships Registration Act
Pension Benefits Act
Personal Property Security Act
Petroleum Products Price Freeze Act, 1975
(unconsolidated and unrepealed)
Prearranged Funeral Services Act
Prepaid Hospital and Medical Services Act

Racing Commission Act
Real Estate and Business Brokers Act
Registered Insurance Brokers Act
Registry Act
Residential Complex Sales Representation Act, 1983

Securities Act

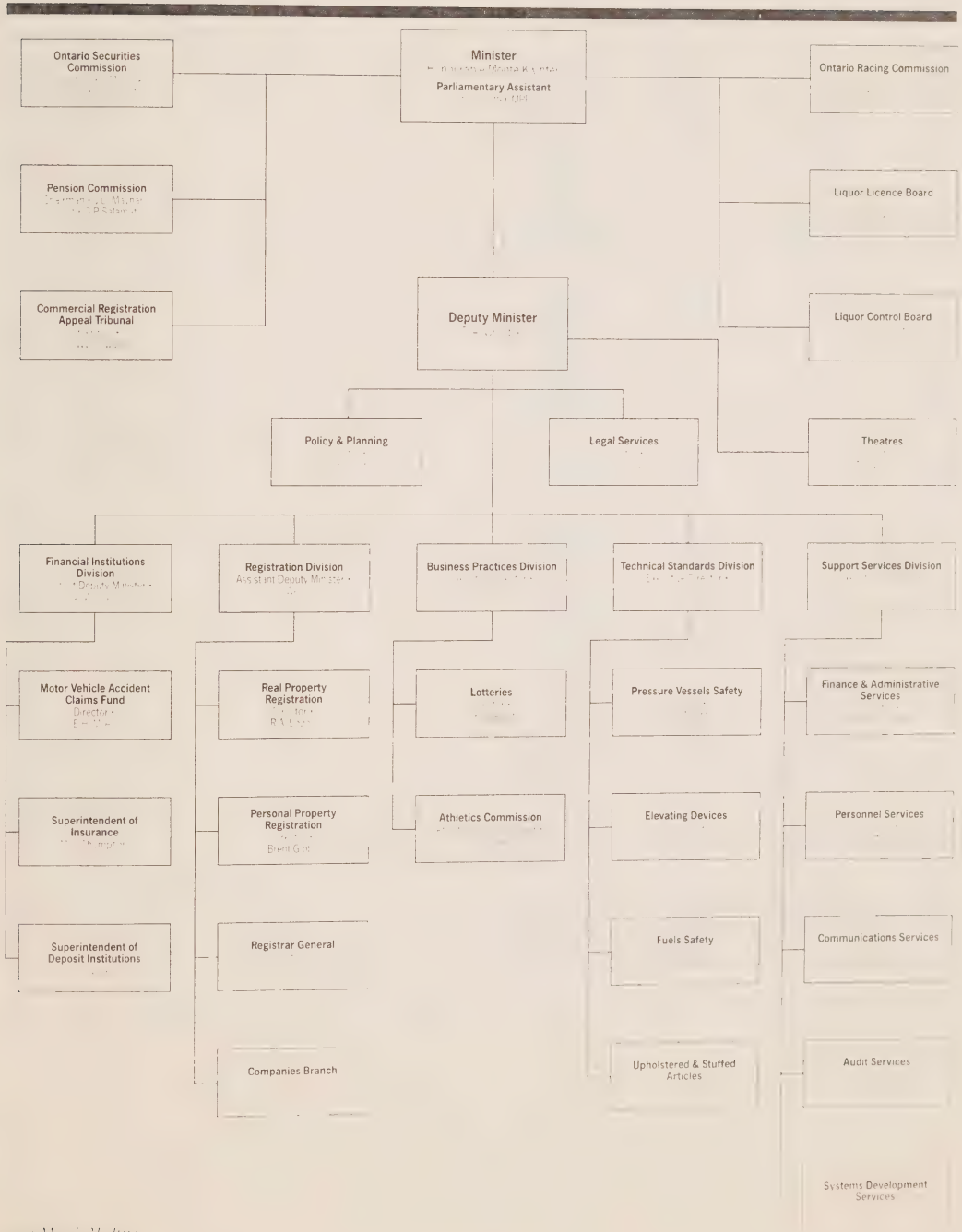
Theatres Act
Toronto Futures Exchange Act, 1983
Toronto Stock Exchange Act, 1982
Travel Industry Act

Unclaimed Articles Act
Upholstered and Stuffed Articles Act

Vital Statistics Act

Wine Content Act

Organization of the Ministry



Financial Statements

Revenues	1985-86		1984-85	
	\$	%	\$	%
Ministry Administration Program	235,378	0.02	369,039	0.04
Total	235,378	0.02	369,039	0.04
Commercial Standards Program				
Securities Commission	2,264,648	0.24	1,883,025	0.20
Pension Plans	672,282	0.07	615,859	0.07
Financial Institutions	3,698,005	0.37	3,725,477	0.40
Business Practices	3,125,263	0.32	2,104,426	0.23
Subtotal	9,760,198	1.00	18,583,953	2.00
Motor Vehicle Accident Claims	9,688,345	0.98	10,700,726	1.16
Security Bonds	149,982	0.02	318,174	0.03
Security Deposit – Foreign Lands	82,694	0.01	66,000	0.01
Total	19,681,219	2.01	29,668,853	3.20
Technical Standards Program				
Operating Engineers	245,829	0.03	254,234	0.03
Pressure Vessels	1,583,455	0.16	1,510,429	0.16
Elevating Devices	1,887,795	0.19	1,883,246	0.21
Fuels Safety	1,251,112	0.13	1,246,484	0.13
Upholstered & Stuffed Articles	246,046	0.02	228,367	0.02
Total	5,214,237	0.53	5,122,760	0.55
Public Entertainment Standards Program				
Regulation of Horse Racing	1,505,474	0.15	1,343,823	0.14
Theatres, Lotteries & Athl. Commissioner	1,518,493	0.15	1,128,348	0.12
Subtotal	3,023,967	0.30	2,472,171	0.26
Security Deposit – Athletics Commissioner	1,000	0.00	600	0.00
Total	3,024,967	0.30	2,472,771	0.26
Registration Division				
Real Property Registration	28,552,015	2.88	23,909,596	2.58
Personal Property Registration	8,180,355	0.82	7,370,143	0.79
Subtotal	36,732,370	3.70	31,279,739	3.37
PPSR Assurance Fund	677,578	0.07	662,329	0.07
Subtotal	37,409,948	3.77	31,942,068	3.44
Companies	12,120,641	1.22	10,255,166	1.10
Registrar General	3,472,867	0.35	3,506,149	0.38
Total	53,003,456	5.34	35,061,499	3.83
Liquor Licence Program				
Liquor Licence Board	274,503,236	27.60	252,739,250	27.24
Total	274,503,236	27.60	252,739,250	27.24
*Liquor Control Board of Ontario				
Liquor Control Board of Ontario – Profits	638,000,000	64.20	602,000,000	64.89
Total	638,000,000	64.20	602,000,000	64.89
Ministry Total Revenues	993,662,493	100.00	927,620,890	100.00

*Responsibility for reporting profits from the Liquor Control Board of Ontario was transferred from the Ministry of Revenue as of April 1, 1983.



Ontario

Ministry of
Consumer and
Commercial
Relations

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